



# EXPEDITED RULE MAKING

**CR-105 (June 2004)**  
(Implements RCW 34.05.353)  
**EXPEDITED RULE MAKING ONLY**

**Agency:** Department of Revenue

**Title of rule and other identifying information:** WAC 458-20-235 *Effect of rate changes on prior contracts and sales agreements* explains the principals that determine the applicability of changes in the rates of tax imposed under the Revenue Act, with respect to contracts, sales agreements, and installment sales made prior to the effective date of the change.

## NOTICE

**THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO**

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**AND RECEIVED BY:** March 22, 2010

### **Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

The Department is proposing to amend Rule 235 for the sole purpose of:

- Recognizing provisions of RCW 82.08.064(3), which provides specific guidance for the effect of sales tax rate changes for persons performing retail services such as repairing property and constructing buildings.
- Removing the last paragraph of the existing rule, which refers cash-basis taxpayers to WAC 458-20-199 for instructions on the taxpayer's responsibility to make an "accounts receivable adjustment" when there is a change in tax rates. This adjustment is no longer required in WAC 458-20-199.
- Providing the contact information for persons with questions on how they might be affected by tax rate changes.
- Adding subsection titles and numbers to provide the information in a more useful manner.

Editing changes are also proposed for clarity purposes, and do not involve taxability changes.

Copies of draft rules are available for viewing and printing on our website at:

<http://dor.wa.gov/content/FindALawOrRule/RuleMaking/agenda.aspx>

**Reasons supporting proposal:** To update the rule to recognize current statutory language, remove outdated information, and to reformat the rule so that it provides existing information in a more useful manner.

### **Statutory authority for adoption:**

RCW 82.32.300 and 82.01.060(2)

### **Statute being implemented:**

RCW 82.08.064

### **Is rule necessary because of a:**

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

**Date** January 20, 2010

### **Name**

Alan R. Lynn

### **Signature**

**Title** Rules Coordinator

### **CODE REVISER USE ONLY**

**OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED**

**DATE: January 20, 2010  
TIME: 10:46 AM**

**WSR 10-03-104**

**Name of proponent:** Department of Revenue

☐ Private  
☐ Public  
☒ Governmental

Name of agency personnel responsible for:			
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**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:** None.